

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|-----------------------------------------|-----------------------------|------------------------------|
| 1. Reduce government? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

For any principle that received a “no” above, please explain:

B. EFFECT OF PROPOSED CHANGES:

Background

In November 2000, Florida voters approved a proposed constitutional amendment to create a high-speed rail transportation system in this state. The vote was 2,900,253 in favor of the amendment (52.7percent), and 2,607,495 opposed (47.3 percent).

The amendment language, in Section 19, Article X, of the Florida Constitution, reads:

“To reduce traffic congestion and provide alternatives to the traveling public, it is hereby declared to be in the public interest that a high speed ground transportation system of a monorail, fixed guideway or magnetic levitation system, capable of speeds in excess of 120 mph, be developed and operated in the state of Florida to provide high speed ground transportation by innovative, efficient and effective technologies consisting of dedicated rails or guideways separated from motor vehicular traffic that will link the five largest urban areas of the State as determined by the Legislature and provide access to existing air and ground transportation facilities and services. The Legislature, the Cabinet and the Governor are hereby directed to proceed with the development of such a system by the state and/or by a private entity pursuant to state approval and authorization, including the acquisition of right-of-way, the financing of design and construction of the system, as provided by specific appropriation and by law, with construction to begin on or before November 1, 2003.”

Legislation in the 2001 session created the 10-member Florida High-Speed Rail Authority and directed it to study a number of issues and report back to the Legislature by January 2002 on its findings and any recommendations. The legislation also designated the initial segments of the high-speed rail system: between St. Petersburg, Tampa and Orlando, with future service to Miami.

The Legislature in the 2002 session broadened the Authority’s responsibilities so that it could develop a marketing plan, a detailed planning-level ridership study, and an estimate of the annual operating and maintenance costs of the high-speed rail system and other associated expenses. The Authority also was given the ability to: establish and collect rates, fees and other charges; acquire land and enter into leases and other contracts; and incur debt, but only in accordance with levels authorized by the Legislature. The legislation allowed the Authority to select the alignment of the high-speed rail routes within the legislatively selected urban service areas, and to prioritize the sequence of construction of each route, based on an evaluation of ridership potential, availability of local government and private-sector financing, and the availability of Authority funding.

In late 2002, the Authority issued “Requests for Proposals” (RFPs) for entities interested in designing, building, operating, maintaining and even financing the first segment of the high-speed rail project – linking Orlando and Tampa. Four companies or consortia responded to the RFPs in February 2003; they were: et3.com, Fluor-Bombardier, Georgia Monorail Consortium, and Global Rail Consortium.

The Authority in April 2003 rejected the proposals of et3.com and Georgia Monorail Consortium as too dependent on unproven technologies and non-responsive to questions posed in the RFP. In October, 2004, the Authority by a 6-2 vote identified Fluor-Bombardier as its first choice and Global Rail Consortium as its second choice. The Authority remains in contract negotiations with Fluor-Bombardier, which proposed a firm-fixed price contract of \$2.056 billion. Authority staff estimates the project's more accurate cost if \$2.383 billion, once costs for right-of-right, environmental mitigation, and other contingencies are added.

The Authority also has selected a preferred Orlando-Lakeland-Tampa route, and commenced the federally required Environmental Impact Statement (EIS) permitting process. The Authority expects to obtain a Record of Decision from the federal government, granting the necessary permits, by mid-March of 2004.

By its own definition, the Authority met the Constitution's November 1, 2003, start-of-construction deadline by signing a contract for the EIS study with Fluor-Bombardier on Oct. 31, 2003.

Although several bills were filed for the 2003 session, no additional legislation related to the high-speed rail passed. However, the Governor vetoed the Authority's FY 2003-2004 state appropriation of \$7.2 million for operating costs. The Authority has continued to meet and conduct other business using unspent state funds and federal appropriations.

Constitutional amendments

Article XI, sections 1 and 5, of the Florida Constitution provide for amendment to the Constitution by the legislative process. The Legislature proposes amendments to the Constitution by joint resolution passed by three-fifths of the membership of each house. The amendment must be placed before the electorate at the next general election held after the proposal has been filed with the Secretary of State's Office.

Provisions of HJR 3

HJR 3 includes a number of "whereas" clauses explaining the sponsor's reasons for filing the legislation.

It seeks to place on the 2004 general election ballot an amendment to the Florida Constitution repealing Section 19, Article X.

HJR 3 must pass the House and the Senate by a three-fifths majority of the membership of each chamber before it can be placed on the referendum ballot.

C. SECTION DIRECTORY:

Not applicable.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Minimal. Article XI, Section 5 of the Florida Constitution requires that each proposed amendment to the constitution be published in a newspaper of general circulation in each county two times prior to

the election where it will be considered. The state Division of Elections estimated last year that the cost of placing these advertisements is about \$59,000.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

If HJR 3 passes the Legislature, then pursuant to s.100.381, F.S., the Revenue Estimating Conference shall prepare a fiscal impact statement as required in s.100.371(6), F.S., no later than 80 days before the election. The fiscal impact statement shall be separately contained and appear on the ballot following the proposed amendment's ballot summary.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The provisions of Article VII, Section 18, requiring a mandate analysis of proposed legislation do not apply to proposed amendments to the state Constitution.

2. Other:

Article XI, sections 1 and 5, Florida Constitution, provides that a constitutional amendment may be proposed by joint resolution of the Legislature. Final passage in the House and Senate requires a three-fifths vote in each house; passage in a committee requires a simply majority vote. If the joint resolution is passed in this session, Article XI, section 5, of the Florida Constitution provides that the proposed amendment would be placed before the electorate at the 2004 General Election or at an earlier special session authorized for that purpose. Once in the tenth week, and once in the sixth week immediately preceding the week in which the election is held, the proposed amendment or revision, with notice of the date of election at which it will be submitted to the electors, must be published in one newspaper of general circulation in the county in which a newspaper is published. If the proposed amendment or revision is approved by vote of the electors, it will be effective as an amendment to or revision of the state constitution on the first Tuesday after the first Monday in January following the election.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES